

# PROCUREMENT ADVISORY No. 93 B

## Contract Closeout Procedures

### 1. SUMMARY

This advisory, Revision B, supersedes Advisory 93A, dated August 8, 2013, and updates the guidance concerning procedures for contract closeout for all contracting activities in support of the proper deobligation of unliquidated obligations (ULOs) following the end of contract performance or contract termination.

### 2. APPLICABILITY

This advisory applies to all contracts and orders, including orders exceeding the micro-purchase threshold that are placed using a Government purchase card. These procedures may be supplemented by contracting activities to meet specific organizational or mission needs. The appendices are provided as examples that may be supplemented or tailored to meet agency needs.

**NOTE:** A contract file shall not be closed if the contract is in litigation, under appeal or investigation, pending a termination action, or has an outstanding claim.

### 3. BACKGROUND

**Importance of Closeout.** Contract closeout is critical to the Department meeting its acquisition and fiscal responsibilities and requires coordination with program and financial personnel, as well as with the contractor. It is also the responsibility of the Contracting Officer to ensure all contract administrative functions in support of their Program Officials from the beginning of the acquisition process through to the end of the process. The closeout process can be simple or complex depending on the contract type and dollar value. All contracts and orders, no matter how small, must be closed out.

Failure to closeout contracts in a timely manner may result in: 1) an inability to recover excess funds for possible use elsewhere, 2) difficulty to settle any final rate determinations on cost reimbursable contracts, 3) more unresolved issues due to departure of key acquisition staff, and 4) the contractor's company may have gone out of business. This can make it difficult to reconstruct key activities in a contract's life.

### 4. REFERENCES

- a. Federal Acquisition Regulation (FAR), 48 CFR, at FAR 4.804, *Closeout of Contract Files*.
- b. FAR 4.805, *Storage, Handling, and Contract Files* (Refer to the FAR Table 4-1 for Retention Periods).
- c. FAR 42.705, *Final Indirect Cost Rates*, and FAR Section 42.708, *Quick-Closeout Procedure*.
- d. The National Archives website, at <http://www.archives.gov/frc/toolkit.html>, for proper retention and disposition of contract files.
- e. FAR 45, *Government Property*.
- f. Departmental Regulation 2230-001, *Reviews of Unliquidated Obligations*.

### 5. DEFINITIONS

“Administratively complete” means all contract administrative actions have been accomplished, all releases executed, and final payment made.

“Closed” means all administrative actions, including final payment, have been completed and all disputes have been settled. A contract is considered to be closed on time when closeout is achieved within the timeframes required by the FAR.

“Contracting Officer (CO)” means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. Except for those actions which require a contracting officer’s warrant, the contracting officer or Head of the Contracting Activity or designee (HCAD) may delegate any of the duties of contract closeout to other procurement personnel such as contract specialists, purchasing agents or procurement clerks.

**Duties not delegable.** The *Contractor Notification and the Release of Claims* (Appendix C) shall be signed by the CO and that signatory responsibility may not be delegated to a non-warranted personnel. In addition, only the CO may take actions affecting contract funding or formal acceptance or rejection of contractor submissions and must ensure that all required administrative actions have been satisfactorily completed.

“Contracting Officer Representative (COR)” for the purpose of this advisory also refers to Technical Representative responsible to perform specific technical and administrative functions, but is not designated or certified as a COR.

“Day” means a calendar day.

“Deobligation” is the agency’s cancellation or downward adjustment of previously incurred obligations. For the purposes of this advisory, deobligation is the cancellation of any remaining amounts of awarded funds from a contract or order. Deobligated funds regain availability following cancellation and may be re-obligated within the period of availability of the appropriation, as if they had never been obligated in the first place (GAO *Principles of Federal Appropriations Law*, Vol. II, Chapter 7, page 7-59).

“Invoice” means a contractor's bill or written request for payment under a contract for supplies delivered or services performed. “Proper invoice” means an invoice that meets the minimum standards specified in FAR [32.905\(b\)](#).

“Physically complete” means the contractor has completed all required deliveries of supplies or services and the Government has inspected and accepted all supplies and accepted all services and materials. All option provisions, if any, have expired, or the Government has given the contractor a notice of complete contract termination.

“Unliquidated funds” means funds that remain unexpended at the close of the contract.

“Unliquidated obligations (ULO)” means unliquidated funds.

## 6. TIME STANDARDS

Contracting Officers should conduct contract closeout using the time standards below, the contract closeout checklist and documents similar to the samples attached. The completed checklist and copies of closeout documents shall be retained together in the contract file. The closeout checklist should be completed for all contracts and orders within the time standards prescribed in FAR 4.804-1, as shown in the table below:

<b>Contracts and orders involving:</b>	<b>Time standards for closing after completion or receipt of goods or services:</b>
Simplified acquisition procedures (currently, generally not exceeding the Simplified Acquisition Threshold (SAT), in accordance with FAR Part 13)	Following final payment. Within 30 days
Firm-fixed-price, without simplified acquisition procedures	6 months
Cost reimbursement contracts, settlement of indirect costs	36 months
All other types of contracts	20 months

## 7. RESPONSIBILITIES

**a. Contracting Officer (CO).** The CO is responsible for overseeing the contract closeout with assistance from the COR or technical representative. Except for those actions requiring a contracting officer's warrant, the CO or HCAD may delegate any of the duties of contract closeout to other procurement personnel such as contract specialists, purchasing agents or procurement clerks. In accordance with FAR 4.804-5, the CO shall:

- (1) Ensure all contract actions are completed, including all outstanding claims, change orders, or value engineering change proposals, subcontracts settled, and that the file is ready for final closeout.
- (2) Ensure applicable reports are cleared or completed such as patent report, final royalty report, plant clearance report, and contract audit.
- (3) Request the contractor to submit the required closeout documents.
- (4) Complete any price revision or confirm the settlement of any costs.
- (5) Ensure the contractor is paid for all work performed and that any outstanding balances owed to the Government by the contractor are collected in a timely manner.
- (6) Ensure the file is properly closed out and retained in storage for the required period.
- (7) If Government property is furnished under the contract, coordinate with the COR and property manager to verify the contractor's inventory of residual Government property (Government-furnished or contractor-acquired) is accurate and ensure that the contractor complies with the disposition instructions.
- (8) Ensure the required records retention and disposition, in accordance with FAR 4.805 and the National Archives Federal Records Center (FRC) are completed, and the Contractor Performance Assessment Reports System (CPARS) evaluations, in accordance with Procurement Advisory 96, are finalized.

**b. Contracting Officer's Representative (COR).** The COR shall:

- (1) Assist the CO to ensure the settlement of any outstanding payments and claims, change orders, or value engineering change proposals.
- (2) Ensure all technical requirements of the contract have been met and that the contract has been satisfactorily completed.
- (3) Ensure the Assessing Official Representative's portions of all CPARS evaluations for each contract period have been completed, when required.
- (3) Certify all deliverable items, including the final report, if applicable, were delivered and accepted, and that all services were performed and accepted.
- (4) If Government property is involved, review and verify the contractor's inventory of residual Government property is accurate. Coordinate with the Government property manager and provide instructions to the CO for the disposition of all residual Government property.
- (5) For cost-reimbursable contracts, review the completion voucher to ensure costs claimed are reasonable and consistent with the work performed.

**c. Head of the Contracting Activity Designee (HCAD).** The HCAD shall coordinate with the Agency Chief Financial Officer (CFO) a periodic review of ULOs. The list of ULOs is provided by the Office of the Chief Financial Officer (OCFO) to the HCAD. This HCAD and CFO responsibility may be delegated to staff within the contracting or CFO offices.

**d. Contractor.** The contractor is responsible for the following actions, as appropriate:

- (1) Prepare and submit a final invoice or completion voucher with request for final payment.
- (2) When required by the payment clause, submit a *Contractor Notification and Release of Claims* (Appendix C).
- (3) Settle all subcontract costs and any subcontract issues and submit subcontracting compliance reports for all years to the electronic subcontract reporting system at <http://www.esrs.gov> (formerly Standard Forms 294 and 295).
- (4) Submit the final patent and royalty reports and a final property inventory, if applicable.
- (5) For cost-reimbursement contracts, submit indirect cost rate proposals for all years in which a proposal was not previously submitted.

## **8. ACTIONS**

The following procedures shall be used following contract completion, the end of contract period of performance or contract termination.

**Contract Closeout Checklist (Appendix A).** The contract closeout checklist shall be included in the contract file to ensure that all applicable contract award and administration actions are included.

The closeout checklist is not all-inclusive. The CO must also refer to the FAR and DR 2230-001 in order to ensure that actions are completed and properly documented in the contract file.

COs and closeout staff shall also refer to the **specific procedure** for each contract type on pages 6 through 9.

**a. Overview of Procedures for Closeout of Contracts.**

- (1) **Commencing Closeout.** Following completion of the contract or order, the CO shall ensure closeout using the appropriate checklist and samples attached to this advisory.
- (2) **File Review.** The CO shall assemble all elements of the contract file and review its contents against the requirements contained in FAR 4.803, using Appendix A. Any missing documents should be obtained and placed in the file. Otherwise, if documents are unobtainable, the file should be notated regarding the circumstances of why documents are unavailable.
- (3) **COR Closeout Certification (Appendix B).** The CO shall send the certification to the COR for completion. The COR, or accepting personnel, shall certify to the CO, in writing, that all deliverables/services have been received.
- (4) **Contractor Notification and Release of Claims (Appendix C).** When appropriate, the CO shall notify the contractor and surety, if any, that the contractor has no further obligation under the contract except for guarantees, warranties, or latent defects. The contractor shall sign and return the Appendix C to the CO. The CO shall then review and sign the bottom of Appendix C, verifying that all required contractual actions have been completed and the contract is ready for closeout. If another office administers the contract, that administrative office is responsible for closing out the contract in accordance with FAR 4.804-2(b).

The FAR states that the release of claims is required for the following kinds of contracts:

- (a) Non-commercial cost reimbursable (in accordance with FAR 52.216-7 (h)).
- (b) Fixed price construction and architect – engineer (FAR 52.232-5(h)(3), and 52.232-10(d)).
- (c) Time-and-material and labor-hour (FAR 52.212-4, Alternate 1 (i)(7) (JAN 2017))

For other than the types of contracts listed above, the CO has discretion and may request a release of claims if deemed in the Government’s best interest and when it is required in the contract.

- (5) **Deobligation of Funds.** The CO shall verify that any remaining funds on the contract are available to be deobligated as follows:
  - (a) **Contract Review.** Review the contract to see if any unliquidated funds remain under the contract and confirm that the contractor has been paid for all work accepted.
  - (b) **ULO Report.** Review the quarterly unliquidated obligations report issued by the OCFO to assist in determining if there are still funds unobligated funds on the contract.
  - (c) **Deobligation.**
    - (i) **Determination to Deobligate.** If a determination has been made to deobligate the funds, the CO shall promptly issue a deobligating modification and

will notify the OCFO within **5 days** after the determination is made to process the deobligation. (See Appendix D.)

(ii) **Determination Not to Deobligate.** If a determination has been made **not** to deobligate the funds, the CO will annotate the rationale on the quarterly ULO report, or notify the OCFO within **5 days** after the determination is made not to deobligate with the reason why the deobligation will not occur. If applicable, the CO, aided by the COR, will make a determination as to whether delivery of services, goods, or performance is expected to occur at a later date. (See Appendix D.)

- (6) **Quick Closeout Procedure.** COs may utilize the quick closeout procedures for cost reimbursement contracts meeting the conditions of FAR 42.708(a).
- (7) **Past Performance Evaluation.** The COR and the CO shall enter the contractor past performance evaluation into the CPARS in accordance with Procurement Advisory 96 located at <http://www.dm.usda.gov/procurement/policy/advisories.htm>.
- (8) **Records Retention and Disposition.** Refer to the table in FAR 4.805 and to the National Archives website, at <http://www.archives.gov/frc/toolkit.html>, to properly retain and dispose of contract files.

## 9. SPECIFIC PROCEDURES FOR CLOSEOUT OF CONTRACTS

- a. **Contracts or orders using Simplified Acquisition Procedures (SAP),** generally contracts or orders **not** exceeding the Simplified Acquisition Threshold (SAT), in accordance with FAR Part 13:
  - (1) These contracts or orders should be considered closed after the CO receives evidence of receipt and acceptance of supplies or services and following final payment. The CO shall complete any necessary documentation generally within **30 days**.
  - (2) **De-obligation.** Any excess funds shall be deobligated by issuing, as appropriate:
    - (a) a bilateral modification; or
    - (b) a unilateral modification if Appendix C is obtained from the contractor, as appropriate.
    - (c) Notification of deobligation will be provided to the OCFO, when required. (See Appendix D.)
- b. **Firm-Fixed-Price Contracts, where Simplified Acquisition Procedures were not used:**
  - (1) **Closeout Checklist File Review (Appendix A).** Following final payment, the CO or closeout staff shall review the contract file and complete Section 1 and begin Section 2 of the Appendix A.
  - (2) **COR Closeout Certification (Appendix B).** Following final payment, the CO shall send the certification to the COR for completion. The COR, or accepting personnel, shall certify to the CO, in writing, that all deliverables/services have been received.

- (a) **Past Performance Report.** The COR shall complete the contractor past performance evaluation in CPARS, in accordance with Advisory 96 located at: (<http://www.dm.usda.gov/procurement/policy/advisories.htm>).
  - (b) The CO shall review the information provided by the COR. This information will be used to prepare the *Contractor Notification and Release of Claims* (Appendix C) to be sent to the contractor, if appropriate.
- (3) **Contractor Notification and Release of Claims (Appendix C).** Following receipt of the COR certification, when appropriate, the CO or closeout staff shall send the Appendix C to the contractor. The letter may be sent by either email or regular mail. Upon receipt of all outstanding documents, the CO shall then review and sign the bottom of Appendix C.

The FAR states that the release of claims is required for the following kinds of contracts:

- (a) Non-commercial cost reimbursable (in accordance with FAR 52.216-7 (h)).
- (b) Fixed price construction and architect – engineer (FAR 52.232-5(h)(3), and 52.232-10(d)).
- (c) Time-and-material and labor-hour (FAR 52.212-4, Alternate 1 (i)(7) (JAN 2017)).

For other than the types of contracts listed above, the CO has discretion and may request a release of claims if deemed in the Government’s best interest and when it is required in the contract.

- (4) **Contract Closeout Checklist (Appendix A).** The CO or closeout staff shall also complete the remainder of Appendix A.
- (5) **Deobligation.** The CO shall deobligate any excess funds by issuing, as appropriate:
  - (a) a bilateral modification; or
  - (b) a unilateral modification if a release of claims is obtained from the contractor, as appropriate.
  - (c) Notification of deobligation will be provided to the OCFO, when required. (See Appendix D.)

**c. Cost-Reimbursement Contracts:**

- (1) **Closeout Checklist File Review (Appendix A).** Following contract completion, the CO or closeout staff shall review the contract file and complete Sections 1 and 2 of Appendix A.
- (2) **COR Closeout Certification (Appendix B).** Following contract completion, the CO shall send the certification to the COR for completion. The COR, or accepting personnel, shall certify to the CO, in writing, that all deliverables/services have been received.
  - (a) **Past Performance Report.** The COR shall complete the contractor past performance evaluation in CPARS, in accordance with Advisory 96 located at: (<http://www.dm.usda.gov/procurement/policy/advisories.htm>).
  - (b) The CO shall review the information provided by the COR. This information will be used to prepare the Appendix C to be sent to the contractor, when appropriate.

- (3) **Contractor Notification and Release of Claims (Appendix C).** Following receipt of the COR certification, as appropriate, the CO or closeout staff shall send Appendix C to the contractor. The letter may be sent by either email or regular mail. Upon receipt of all outstanding documents, the CO shall review and sign the bottom of Appendix C. The FAR states that the release of claims is required for the following kinds of contracts:
- (a) Non-commercial cost reimbursable (in accordance with FAR 52.216-7 (h)).
  - (b) Fixed price construction and architect – engineer (FAR 52.232-5(h)(3), and 52.232-10(d)).
  - (c) Time-and-material and labor-hour (FAR 52.212-4, Alternate 1 (i)(7) (JAN 2017))

For other than the types of contracts listed above, the CO has discretion and may request a release of claims if deemed in the Government's best interest and when it is required in the contract.

- (4) **Audit.** If applicable, following receipt of the contractor's response, the CO will request a final contract audit from the cognizant audit office.
- (5) **Reports.** Any required reports will be forwarded to the responsible parties including the following, when applicable:
- (a) Reports and documentation related to patents, royalties, warranties and inventions shall be forwarded to the COR and the Office of the General Counsel (OGC). (See FAR 12.404, 27.3, 27.4 and 46.7.)
  - (b) Reports, actions, documentation for government furnished equipment (GFE) or Government furnished property (GFP) shall be forwarded to the COR and the government property administrator.
- (6) **Desk Audit.** Within **60 days** after receipt of contractor's response, as applicable, the CO or closeout staff shall complete a desk audit of the contract. COs are encouraged to work with the cognizant auditor to verify information. Information obtained shall be recorded in the contract file.

This local desk audit shall consist of a review of items such as, if applicable, in-house engineering estimates of the level of effort, audited cost information from contracts in process or recently negotiated contracts, adequately reviewed data on proposed subcontract items which constitute the major portion of the prime contractor's cost proposal, prices of standard commercial items which constitute a major portion of the prime contractor's cost proposal; special forward pricing or overhead rates contained in advance agreements; current labor rates, overhead rates, loading factors, and per diem rates; recent audit reports or price negotiation memoranda.

- (7) **Final Equitable Adjustment of Price.** Generally within **30 days** of completion of the desk audit or **90 days** after receipt of the final audit, the CO shall determine the final equitable price adjustment, as applicable.
- (8) **Final Modification to Contractor.** Following review and after all clearances on the modification are completed, the CO shall send the final modification to the contractor.



- (9) **Execution of final modification.** The contractor will return the signed modification within **30 days** after modification is sent to contractor. The CO shall file the fully executed modification and provide a copy to the contractor.
- (10) **Request for Payment of Final Invoice.** The CO shall make final payment after receipt of the contractor's request.
- (11) **Contractor Notification and Release of Claims.** Generally within **30 days** after payment of final invoice and following receipt of all outstanding documents, the CO shall review and sign the bottom of Appendix C.
- (12) **Contract Closeout Checklist.** The CO shall also complete the remainder of Appendix A.
- (13) **OCFO Notification.** Notification of deobligation will be provided to the OCFO, when required. (See Appendix D.)

## 9. RECORDS RETENTION PROCEDURES

**NOTE: This may not be applicable for electronic contract file. Agencies should establish internal procedures for electronic contract file.**

- a. The CO or contracting staff shall consult with the appropriate agency document management personnel for filing and storage and shall also coordinate with the Federal Records Center (FRC) of the National Archives and Records Administration. See the FRC Toolkit accessible at <http://www.archives.gov/frc/toolkit.html> for more instructions.
  - (1) The CO shall provide the closed contract files to the appropriate agency personnel to be appropriately boxed and stored at the appropriate agency facility.
  - (2) FAR 4.805 *Storage, Handling, and Disposal of Contract Files*, lists the period of records retention for all contract documents and files.
  - (3) Closed contract files that are two years or older may be shipped to the FRC.
  - (4) Appropriate boxes for shipping may be available from the cognizant USDA agency records manager.
  - (5) A completed form SF 135, *Records Transmittal and Receipt*, must be sent to the records center for approval prior to shipping the closed contracts. A list of contracts to be sent shall also be included in accordance with FRC instructions (See <http://www.archives.gov/frc/toolkit.html>).
  - (6) Separate contract files by year using the final payment date. Each year shall have a separate accession number, which is the number assigned by the FRC in order to locate it for later destruction or retrieval. Contract files should be boxed in numerical order. Task orders should follow the main contract.
  - (7) The CO or staff will notify the records manager if there is a long warranty period involved in any contract going to FRC. Such contracts shall have a separate accession number so the destruction date will occur after the warranty period. This is done in the event there is a warranty action against the Contractor during the warranty period.

- (8) The CO or contracting staff will contact the agency records manager for arrangements to transport boxes to FRC.
- b. **Retrieval of Records.** If a record needs to be retrieved from the FRC, complete Form OF-11, *Reference Request - Federal Records Center*, and forward to the cognizant agency records manager.
- c. **Notification of Final Destruction.** When records become eligible for destruction, the FRC will contact the records manager, who, in turn, will contact the agency to obtain permission to dispose of them.

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Procurement Advisories are posted at: <http://www.dm.usda.gov/procurement/policy/advisories.html>. If you have questions or comments regarding this advisory, please send an email message to the Procurement Policy Office's email box at [procurement.policy@dm.usda.gov](mailto:procurement.policy@dm.usda.gov).

**EXPIRATION DATE:** Effective upon issue date until canceled.

# List of Appendices

<b><u>Appendix</u></b>	<b><u>Document Title</u></b>
A	Contract Closeout Checklist
B	COR Closeout Certification
C	Contractor Notification and Release of Claims
D	Deobligation Memorandum to Office of the Chief Financial Officer

# CONTRACT CLOSEOUT CHECKLIST

(Sample)

## Appendix A

### Procurement Advisory 93B

Contract Number: \_\_\_\_\_

Contractor: \_\_\_\_\_

ITEM	Yes	No	N/A	COMMENTS
1. Contract file contains <b>all required and relevant documents</b> (see FAR 4.803) including the following items, when applicable:				
a. Purchase request and evidence of availability of funds				
b. Synopsis or reference to synopsis				
c. List of sources solicited				
d. Set-aside decision; Form AD-1205, Market Research				
e. Government estimate of contract price				
f. Solicitation & all amendments				
g. Copy of each offer or quotation				
h. Negotiation documentation				
i. Contractor's representations & certifications				
j. Determination of contractor responsibility				
k. Other determinations, or justifications & approvals				
l. Delegations of Authority, COR Memorandum				
m. Signed contract, modifications & supporting documents				
2. <b>All financial matters</b> have been resolved and documents included in file, as applicable:				
a. Disputes, refunds or credits				
b. Final invoice processed for payment				<u>Date paid:</u>
c. De-obligation of excess funds				
3. Subcontracts are settled by the prime contractor				
4. Closeout Letters/Memoranda from COR, To Payment Office				<u>Date signed:</u>
5. Reports and documentation related to patents, royalties, warranties, and inventions (FAR 4.804-5(2), 12.404, 27.3, 27.4 and 46.7)				<u>Date signed:</u>
6. Reports, actions, and documentation for government-furnished equipment (GFE)/ government-furnished property (GFP) (FAR 45)				
7. Audit Information or reports are completed				
8. "Release of Claims (Appendix C)" sent to and executed by contractor and included in file [FAR 52.232-5 (h)]				
9. Appendices C and A [FAR 4.804-5 (b)] with the closeout status completed in IAS are included in file. (Closeout Date)				<u>Date statement signed:</u>
10. Contractor Performance Assessment Reporting System (CPARS) information entered (See Procurement Advisory 96, located at <a href="http://www.dm.usda.gov/procurement/policy/advisories.htm">http://www.dm.usda.gov/procurement/policy/advisories.htm</a> )				
11. Records retention & disposition completed (See table in FAR 4.805. See also <a href="http://www.archives.gov/frc/toolkit.html">http://www.archives.gov/frc/toolkit.html</a> )				<u>Date sent:</u>

## COR Closeout Memorandum (sample)

## Appendix B Procurement Advisory 93B



**DATE:** \_\_\_\_\_

**TO:** (Name) \_\_\_\_\_  
Contracting Officer's Representative

**FROM:** (Name) \_\_\_\_\_  
[Insert Title: Contracting Officer or Contract Specialist]

**SUBJECT: Contract Closeout**  
Contract number: \_\_\_\_\_  
Contractor: \_\_\_\_\_  
Project Title: \_\_\_\_\_

This office is currently in the process of closing out the above referenced contract.

Enclosed is the **COR Closeout Certification** form. Your completion of this form is required for our office to closeout the contract.

Please complete the enclosed document and return it to the following address within a suggested **14 calendar days**:

(Agency Name) \_\_\_\_\_  
(CO/Specialist Name)     ATTN: \_\_\_\_\_  
(Address) \_\_\_\_\_  
\_\_\_\_\_

In addition, please complete the contractor past performance evaluation in the Contractor Performance Assessment System (CPARS), in accordance with USDA Procurement Advisory 96 available at <http://www.dm.usda.gov/procurement/policy/advisories.htm>.

If you have any questions, please contact me by phone at \_\_\_\_\_ (Phone number), or  
by email at \_\_\_\_\_ (Email address).

Attachment



United States  
Department of  
Agriculture  
(USDA)

Office of  
Procurement and  
Property  
Management  
(OPPM)

Procurement  
Operations  
Division (POD)

Acquisition  
Management  
Branch,  
Washington, DC  
(AMB-WDC)

300 7<sup>th</sup> Street  
Southwest  
Room 377  
Reporter's  
Building  
Washington, DC  
20024-9307

Date:

TO:

FROM:

CONTRACT: (Contract Number, Contractor Name, Project Title)

**SUBJECT: Contracting Officer Representative Contract Closeout Certification**

The Contracting Office is currently in the process of closing out the subject contract that requires the Contracting Officer Representative (COR) / Program Office Technical Contact Certification. Please complete and return this Certification to the Contracting Officer by \_\_\_\_\_ (date).

The contractor's performance under the subject contract has been evaluated and data pertinent to the closing of the contract file is noted below:

1. Deliverables. All deliverables including all item, supplies, services and/or report required under the terms of the contract ( ) have not been furnished, or ( ) have not been furnished and, if applicable a list of exclusions is attached.
2. Government Furnished Property (GFP). There ( ) was Government Property furnished, or ( ) was no Government Property furnished or acquired under the subject contract. If GFP was furnished/acquired, disposition instructions are attached or the COR will ensure disposition instructions are provided under separate correspondence.
3. Contractor Badge. Contractor Badge granting access to Government Facilities and Equipment ( ) has been return to the COR/USDA Security Office, ( ) has not been return to the COR/USDA Security Office. If Contractor Badge has not been returned to the COR/USDA Security Office, the COR must notify the USDA Security Office.
4. Warranties. There ( ) are extended warranties, or there ( ) are no extended warranties. If extended warranties, attached a list of the equipment description, serial number and warranty duration.
5. Unliquidated Obligations. All unliquidated obligations (remaining funding) under the terms of the contract ( ) have been deobligated, or ( ) have not been deobligated. If not deobligated, the COR request to deobligate remaining funding is attached.
6. Contractor Performance Rating. The Contractor's performance was ( ) outstanding, ( ) satisfactory, ( ) unsatisfactory. The COR's narrative supporting the checked rating is attached.
7. Contractor Performance Assessment Reporting System (CPARS). A CPARS evaluation/assessment is required prior to contract closeout for contracts at or above simplified acquisition threshold. Past performance reporting is required by Federal Acquisition Regulation (FAR) Part 42.1502 and 42.1503 and Agriculture Acquisition Regulation (AGAR). Contracting Officers, Purchasing Agents, Contracting Officer's

Representatives (COR), Technical Contact/Representatives and Contractors are required to complete CPARS evaluations at <http://www.cpars.gov>. The CPARS Evaluation/Assessment ( ) was completed in CPARS, ( ) was not completed in CPARS, ( ) not applicable below simplified acquisition threshold. If not completed and applicable, the COR shall immediately complete the evaluation/assessment.

8. Final Deliverable Acceptance. All deliverables including all item, supplies, services and/or report required under the terms of the contract ( ) have not been received and accepted, ( ) have not been received, ( ) have been received but not accepted.

*Contracting Officer's Representative / Technical Representative Certification*

I hereby recommend that the following action be taken:

( ) Contract requirements have been met satisfactorily and are accepted. Closeout action is appropriate.

( ) Delay closeout and final payment (give reasons below or attached statement).

\_\_\_\_\_  
(COR / Technical Contact Signature) (Date)

\_\_\_\_\_  
(Printed Name) (Office)

\_\_\_\_\_  
(Email)

## Contractor Notification & Release of Claims (sample)

## Appendix C Procurement Advisory 93B



Date: \_\_\_\_\_

Contractor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Contract Number: \_\_\_\_\_, Project Title: \_\_\_\_\_

### **SUBJECT: Contractor Notification and Release of Claims**

Dear (Name of Contractor) \_\_\_\_\_,

The Contractor's performance under the subject contract has been completed and the Contracting Office is currently in the process of closing out the subject contract that ended on \_\_\_\_\_ (completion date).

Please complete this Contractor Notification and Release of Claims and return it to the Contracting Officer by \_\_\_\_\_ (date).

All deliverables including all item, supplies, services and/or report required under the terms of the contract ( ) have not been furnished, or ( ) have not been furnished and, if applicable a list of exclusions is attached.

All Contractor badges granting access to Government facilities and equipment ( ) have been returned to the COR/USDA Security Office, ( ) have not been returned to the COR/USDA Security Office, ( ) Not applicable for this contract. If Contractor badges have not been returned to the COR/USDA Security Office, the Contractor must immediately notify the COR and coordinate arrangement for the immediate return of badges.

1. Contract Number: \_\_\_\_\_
2. Last modification number: \_\_\_\_\_
3. Last call or order number, if applicable: \_\_\_\_\_
4. Contractor Name, Address, Telephone: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



5. Contractor Contact Name and Email: \_\_\_\_\_
6. Dollar amount of excess funds, if any applicable: \_\_\_\_\_
7. Final Invoice Number and date: \_\_\_\_\_
8. Invoices, dates and amounts:

[illegible]

If there are any outstanding claims (invoices) against the Government, list the invoice number, date, and amount. If none exists, state “*NONE*.”

	INVOICE #	DATE	AMOUNT
1			
2			
3			

9. Total Amount Awarded Under Contract: \$\_\_\_\_\_
10. Total Amount Paid Under Contract: \$\_\_\_\_\_
11. A CPARS evaluation/assessment is required prior to contract closeout. Past performance reporting is required by Federal Acquisition Regulation (FAR) Part 42.1502 and 42.1503 and Agriculture Acquisition Regulation (AGAR). Contracting Officers, Purchasing Agents, Contracting Officer's Representatives (COR), Technical Contact/Representatives and Contractors are required to complete CPARS evaluations at <http://www.cpars.gov>. The CPARS Evaluation/ Assessment ( ) was completed in CPARS, ( ) was not completed in CPARS, ( ) not applicable below simplified acquisition threshold.

**CONTRACTOR (or ASSIGNEE) CERTIFICATION:**

I certify that I am the official of the corporation named as Contractor in the foregoing Release of Claims to sign said Release of Claims and Contract Completion Statement on behalf of the Contractor and is the Official of said corporation; that said Release of Claims was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

I certify that all services have been performed in accordance with this contract terms and conditions; the contract is now complete and can be closed out. All USDA Badge, equipment, property, and documents have been returned the COR/Technical Contact and all required contract actions have been fully and satisfactorily accomplished.

The Contractor, upon payment of the said sum by the UNITED STATES OF AMERICA (hereafter called the Government), does remise, release, and discharge the Government, its officers, agents, and employees of and from all liabilities, obligations, claims, and demands whatsoever under or arising from the said contract.

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*(Contractor or Assignee Signature Authority)*

---

*(Date)*

---

*(Printed Name & Title)*

---

*(Telephone & Email)***CONTRACTING OFFICER:**

---

*(CO Signature)*

---

*(Date)*

---

*(Printed Name)*

---

*(Agency)*

---

*(Telephone & Email)*

## Deobligation Memorandum to OCFO (sample)

## Appendix D Procurement Advisory

93B



**DATE:** \_\_\_\_\_

**TO:** (Name) \_\_\_\_\_  
Office of the Chief Financial Officer

**FROM:** (Name) \_\_\_\_\_  
Contracting Officer

**SUBJECT: Contract Closeout and Deobligation of Funds**

Contract number: \_\_\_\_\_

Contractor: \_\_\_\_\_

Project Title: \_\_\_\_\_

This office is considering closing out the above referenced contract. Please note that the condition checked below applies:

☐ **Determination to Deobligate.** A determination has been made to deobligate the remaining funds on the subject contract and a de-obligation is being processed.

☐ **Determination Not to Deobligate.** A determination has been made **not** to deobligate the remaining funds on the subject contract at this time. Deobligation is not currently appropriate because of the following reason:

***[ Include reason why closeout and deobligation is not appropriate at this time.]***

When the closeout requirements are met, the contracting officer will deobligate the funds.

If you have any questions, please contact me by phone at \_\_\_\_\_ (Phone number), or  
by email at \_\_\_\_\_ (Email address).